



Council on Pakistan Relations  
1455 Pennsylvania Ave, NW  
Suite 400  
Washington, DC 20004  
Tel 202-657-6123  
Fax 202-204-8414  
PakistanRelations.org

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The Honorable Hillary Clinton  
Secretary of State  
U.S. Department of State  
2201 C Street, N.W.  
Washington D.C. 20520

Via Fax: 202-647-2283

Dear Secretary Clinton,

The Council on Pakistan Relations fully supports your efforts to elevate the role of diplomacy and development in our policy towards Pakistan. At this critical moment in U.S.-Pakistan relations, it is imperative that our policy reflects and supports our long-term interests in helping Pakistan become a more stable democratic and prosperous nation. The Council on Pakistan Relations stands ready to work with the State Department and the U.S. Agency for International Development to ensure that U.S. economic and development assistance reaches its intended target, the people of Pakistan. As you and President Obama have rightly stated, U.S.-Pakistan relations have historically been characterized by misunderstanding, mistrust and suspicion. Fortunately, there now is a window of opportunity to change that now.

As you are well aware, Pakistan is facing significant challenges, both internally and externally. The threats posed by extremist groups combined with a growing public dissatisfaction with President Zardari, weak government institutions, massive unemployment, a failing economy and the country's complicated and explosive relationship with India all demand that the U.S. take a more pro-active role in South Asia. The U.S. must address the region's contentious territorial border disputes and make sure that the U.S. assistance provided to Pakistan under the Kerry/Lugar legislation enhances the lives of Pakistani citizens and improves America's image in the country. On behalf of the Council on Pakistan Relations, I would like to offer a few thoughts on how the U.S. could achieve these objectives.

## **A Regional Approach to Peace and Security**

During President Obama's campaign for the White House, he often spoke of the need for Pakistan and India to resolve the issue of Kashmir and improve their bilateral relationship. As the Mumbai attacks in 2008 and the Taliban offensive in Swat valley last year demonstrated, both countries are increasingly susceptible to terrorism and, for better or worse, are inextricably linked to one another. This week's announcement that India was willing to reengage with Pakistan is a positive development. However, without sustained involvement by the U.S. and the international community, it is highly unlikely that they will be able to overcome their historical differences and make progress on their own.

Similarly, the offer made by Pakistan's Army Chief, General Kiyani, to train Afghan military and police forces is a historic step towards strengthening ties between the two countries. Having recognized the pivotal role it plays in the U.S. policy towards Afghanistan, Pakistan must continue to be encouraged by the U.S. to continue to do the right things. As Secretary Gates and Admiral Mullen pointed out in their testimony before Congress on February 3, Pakistan is an essential partner in U.S. efforts in Afghanistan. In your January 21, 2010 "*Strategy to Stabilize Afghanistan and Pakistan*," you note the need for the U.S. to mobilize the international community to achieve success in Afghanistan and Pakistan.

Your decision to build on bilateral discussions with Russia, China, India and Afghanistan's neighbors is an important first step. There must be a multilateral regional approach that brings India to the table to address its concerns with Pakistan and Afghanistan, builds confidence between the nations and resolves many of the region's border disputes. Until Pakistan feels secure along its border with India, it will continue to resist efforts to shift its military focus to its Afghanistan border and defeat the extremists.

Pakistan must take responsibility over its territory and must be accountable, and deny any sanctions to extremist groups. This would ultimately require Pakistan to integrate FATA region with rest of the country. Islamabad has repeatedly asked and Kabul has refused to resolve the issue of Durand line. This stance fuels suspicion and mistrust between the two neighbors and must be addresses. Above all, it will be impossible to end the region's proxy wars and effectively combat non-state actors until relations between the nations improve.

Recommendation: The Council on Pakistan Relations strongly urges you and President Obama to expand Ambassador Holbrooke's portfolio to include India. This will show US's true commitment to long term safety, security and prosperity in the region.

## **Making U.S. Assistance Work**

The \$7.5 billion authorized for Pakistan under the Kerry/Lugar legislation represents an enormous long-term commitment to Pakistan and demonstrates the goodwill of the American people. The Council on Pakistan Relations encourages the U.S. government, in partnership with the Government of Pakistan, to be bold and “think big.” Business as usual will no longer work. The U.S. runs a great risk if this assistance does not reach average Pakistanis and fails to tangibly improving their daily lives. If we fail, our efforts will be seen at best as a meaningless gesture. The Council on Pakistan Relations strongly supports Ambassador Holbrooke’s efforts to limit the amount of funds that will go to large American contractors with exorbitant overhead rates.

The Council on Pakistan Relations believes that the following basic principles should help guide the distribution of U.S. foreign assistance to Pakistan:

- Projects that stimulate the economy and create jobs should be given priority;
- The U.S. should focus on high-impact signature projects that address Pakistan’s immediate needs such as electricity, agriculture and water;
- There should be concrete and measurable results tied to each project and everyone involved must be accountable;
- A transparent and broad stakeholder process should be established to seek and incorporates the views of as many Pakistani experts and citizens as possible;
- The U.S. needs to repackage what it does and publicize the projects it funds and show the Pakistani people how it will improve their lives.

In terms of the specific sectors that have been highlighted in the *Pakistan Assistance Strategy Report* to Congress and your January 21 report, the Council on Pakistan Relations would urge you to focus on energy, agriculture and water. Economic development, creating jobs, increasing trade and stabilizing the economy need to be our focus. Over the next several months, the Council on Pakistan Relations, working with Pakistani and American experts, will provide the U.S. Congress and the Obama Administration with concrete proposals in each major sector of the economy.

Energy Sector: Rebuilding Pakistan’s energy infrastructure and promoting conservation will be critical to the country’s long-term economic growth and political stability. The recently announced \$125 million for Pakistan’s energy sector is a good start. As you know, Pakistan suffers from a major electricity shortage which causes rolling blackouts and has worsened in recent years. Demand for energy over the next decade is expected to far outstrip supply. By 2020 the Government of Pakistan estimates that the energy shortage will reach 13,651 MW. Pakistanis have no choice but to exploit its natural resources in order to meet its long term energy needs. This would require building large scale dams and tapping into the vast

underdeveloped Thar coal reserves. U.S. projects should focus on diversifying Pakistan's energy sector by expanding coal and hydropower and promoting renewable energy projects such as solar and wind power.

Recommendation: The U.S. should sponsor a major hydro-electric dam as a signature project which would be of huge symbolic significance of U.S.'s goodwill towards people of Pakistan.

Agriculture Sector: Agriculture is Pakistan's largest economic activity and accounts for about 23% of GDP and employs about 44% of the labor force. According to the United Nations, Pakistan is one of the world's largest producers and suppliers of food. Its most important crops are wheat, sugarcane, cotton, and rice, which together account for more than 75% of the value of total crop output. However, Pakistan's agriculture yields are significantly less than countries such as China, India and others. Land reform, irrigation infrastructure projects and improving cropping patterns and production will be key to increasing yields and improving Pakistan's agricultural sector. U.S. agricultural projects in Pakistan should focus on better water resource management and modernization.

Recommendation: The U.S. and Pakistan should make it a goal to double the country's agricultural output by 2015.

Water: As USAID correctly highlights, *"The mortality rate for children under-five in Pakistan is 101 deaths per 1000 children. Water and sanitation related diseases are responsible for 60% of the total number of child mortality cases in Pakistan, with diarrheal diseases estimated at killing over 200,000 under-five years' children, every year."* There have been alarming reports by the World Bank (Report: "Pakistan Will Cry for Water"), and the UN Food Program, warning Pakistan about the upcoming severe water shortage. Some experts believe that Pakistan could face a famine situation similar to Somalia and Ethiopia if drastic measures are not taken.

In January, 2009 USAID and the Government of Pakistan signed a Memorandum of Understanding to support the Pakistani Government's Clean Drinking Water Project. Through the MOU, the U.S. will provide over three years \$17.9 million to support Pakistan's goal of building 6,000 water filtration plants throughout the country. Given the millions of Pakistanis who do not have regular access to potable water, U.S. assistance should be dramatically increased in this sector.

Recommendation: The U.S. should help Pakistan make it a goal to provide every Pakistani with access to potable water by 2015.

Healthcare: Pakistan's healthcare system is broken and requires a significant reform. Any USAID assistance in this area must be tied to measurable outcomes such as improving

immunization rates, eradicating diseases such as tuberculosis and polio. USAID should seek advice from Pakistan's healthcare experts from private sector and collaborate with reputable Pakistani institutions.

Education: Pakistan is one of only 12 world countries that spend less than 2% of its GNP on education. The World Bank reports that the average Pakistani boy receives only five years of schooling; the average girl just 2.5 years. According to USAID, only two thirds of Pakistani children aged 5-9 are ever enrolled in school and only one-third will complete the fifth grade. Any US assistance must be tied to targeted outcomes such as increased literacy rates and increased enrollment. USAID should be encouraged to set up an advisory panel made up of Pakistani Americans and Pakistanis with expertise in educational reforms.

Democracy Promotion: Although strengthening Pakistan's institutions and making them more democratic, transparent and accountable to the people is important, what Pakistan most desperately needs is foreign investment and regional economic integration. Pakistan will need to go through at least another five elections uninterrupted before democracy truly takes root. The current Government of Pakistan knows fully understands which reforms it needs to undertake. Democracy there would be greatly strengthened if President Zardari repealed the 17<sup>th</sup> Amendment as he promised and abided by recent Supreme Court's rulings. The recently released report by USAID's Inspector General (Afghanistan and Pakistan: Regional Stabilization Strategy) provides a strong reason to limit funding in this area. Although strengthening the legislature, making political parties transparent and promoting the role women in politics are all worthy goals, Pakistan is in a crisis and the quickest way to help the country, and the reformers within it, is to create jobs and make a noticeable impact on people's live

Recommendation: The U.S. Pakistan Assistance Strategy Report to Congress calls for appropriating \$1 billion to democracy promotion efforts. The Council on Pakistan Relations would strongly encourage you to redirect this money to signature projects to other areas of priority that have tangible outcomes. We strongly encourage USAID to give preference to institutions such as Freedom House that work directly with civil society and non-profit NGO's. for advocating democracy and human rights world wide.

Trade: The U.S. could dramatically improve Pakistan's economic outlet by promoting greater trade between our countries. Although efforts to pass the Reconstruction Opportunity Zone (ROZ) legislation over the last several years should be commended, it does not go far enough. If the U.S. wants to improve relations with Pakistan and help create more jobs, the Obama Administration should make trade a cornerstone of its policy towards Pakistan.

Recommendation: The U.S. should initiate discussions with Pakistan to remove barriers to trade and open the U.S. market to more Pakistani goods, including textiles.

## **Improving America's Image**

Security: Pakistan has suffered more than any nation for being an ally to US for its war on terror. Pakistan has lost thousands of its soldiers in addition to thousands of casualties as a result of bombing, suicide attacks throughout the country. US must fund Pakistan's counter insurgency efforts by providing necessary training and equipments needed such as helicopters, night vision goggles, intelligence, surveillance, and other related equipment. Furthermore, the U.S. needs to expedite assistance in the area of law enforcement reforms and enhancing their capabilities. These actions will demonstrate to Pakistani people that US is committed to safety and security of Pakistani and not only to American interest in the region.

Drone Attacks: Perhaps the one issue that most negatively affects America's image in Pakistan is the drone attacks. Although the predator drones are an extremely important and effective tool in our fight against terrorists, the collateral damage caused by the attacks is fueling anti-Americanism. If the U.S. is to build a solid relationship with Pakistan based on trust, we should provide the drones to Pakistan and let them take "ownership" of this program

Engagement: The Council on Pakistan Relations encourages people-to-people interaction and engaging the public in the US-Pakistan dialogue as seen during your recent visit to Pakistan. Pakistani Americans could be your best tool to improve relations between the United States and Pakistan. We are a community that is proud of its heritage and grateful for what America has given us. Most Pakistanis maintain close ties to their homeland and visit often. The Council on Pakistan Relations was formed last year specifically engage the growing diaspora and involve it in U.S. foreign debate over Pakistan. The establishment of the American Pakistan Foundation, as well as other organizations is an important step towards involving the Pakistani American community. My organization has met repeatedly with Members of Congress and officials from your Department. We also encourage sending high level delegations to Pakistan to engage the people of Pakistan and to increase people-to-people cultural and scientific exchanges.

Recommendation: Appoint an Advisory Panel of independent Pakistani Americans to provide advice and input on U.S. funded projects and activities funded under the Kerry/Lugar legislation.

In conclusion, I would like to reiterate the Council on Pakistan Relations' interest in working with the Obama Administration in strengthening U.S.-Pakistan relations and improving America's image in that country. The leadership you and President Obama have shown on Pakistan, along with that of Senators Kerry and Lugar and Congressman Berman, is critical to protecting U.S. interests in South Asia and helping Pakistan become a stable and prosperous ally. However, the work is just beginning. We must work to ensure that U.S. assistance to Pakistan is wisely spent and achieves our ultimate objectives.

I would be more than happy to provide you and your staff with further ideas on how the U.S. could maximize its opportunities in Pakistan.

Sincerely,



Ashraf Qazi  
Founder

Cc: National Security Advisor Jones  
USAID Administrator Rajiv Shah  
Ambassador Holbrooke  
Senator Kerry  
Senator Lugar

**About Us:** The Council on Pakistan Relations (CPR) is a Washington, D.C. based, pro-America, pro-Pakistan independent lobbying and public advocacy organization. The Council on Pakistan Relations' mission is to impact U.S. policy toward Pakistan to foster lasting peace, democracy, prosperity and stability. CPR seeks to build public awareness and grassroots support among Pakistani-Americans and other concerned citizens for American foreign policy that will support the goals of a stable, peaceful, modern, pluralistic, democratic, and prosperous Pakistan. CPR is funded and supported by Pakistani-Americans and is not affiliated with any domestic or international governments or parties.